



FOR IMMEDIATE RELEASE
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CIVIC FEDERATION OPPOSES CTA SERVICE CUTS, CALLS FOR RTA CHAIR

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(Chicago)—The Civic Federation today released its analysis of the Chicago Transit Authority (CTA) Proposed FY2005 Budget and testified at the public budget hearing. Although The Federation supports increased State operating assistance for all of the service boards, it concluded that if the Illinois Legislature does not provide such relief, the CTA's proposed major CTA service cuts must still be avoided in the short term. The CTA should instead bridge its budget gap by raising fares, eliminating Owl service, and using capital funds for operating expenses this year only in order to avoid the certain loss of over 7% of the system's riders.

"It is essential that the region maintain a healthy public transit system in order to reduce congestion for commuters and to protect the region's attractiveness as a business logistics center," said Laurence Msall, President of The Civic Federation. "The Civic Federation recognizes the mounting financial pressures on the CTA, but we are very concerned that the CTA's proposed service reductions would eliminate about 92,000 rides a day. Cutting service might patch the budget for one year, but it creates a downward spiral of declining ridership that hurts the whole region and compounds the CTA's financial problems."

The Regional Transit Authority required the CTA, Metra, and Pace to propose two budgets this year, one with additional public funding and one without. The Civic Federation supports additional public funding for the three service boards and urges the General Assembly to provide short-term funding relief for at least part of the CTA's immediate shortfall.

The Federation also supports review of the RTA funding formula. "No formula should be frozen in time forever," Msall stated. "The RTA Act should be carefully revisited and any changes should include a sunset clause to ensure that it is revisited again in a timely fashion."

"Most importantly, the RTA needs a chairman," Msall concluded. "The RTA isn't just there to guard the status quo. This region needs an RTA chairman who will advocate for public transit in Springfield, in Washington D.C., and in local communities."

The Civic Federation's analysis of the CTA's Proposed FY2005 Budget is available at www.civiced.org

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The Civic Federation is an independent, non-partisan government research organization founded in 1894. The Federation's membership includes business and professional leaders from a wide range of Chicago area corporations, professional service firms and institutions. The Civic Federation seeks to assist public policy opinion leaders in the Chicago area and to advance issues such as property tax reform, tax simplification, privatization, and joint purchasing with the objective of improving governmental efficiency and financial accountability. For more information, please visit the Federation's web site at www.civiced.org